

HOUSE BILL 1058

C5

0lr2851

By: **Delegate Shank**

Introduced and read first time: February 17, 2010

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Electric Companies – Residential Rates**

3 FOR the purpose of requiring an electric company to apply certain residential rates to
4 certain buildings located in an area zoned for residential use; providing for the
5 application of this Act; and generally relating to electric utility rates.

6 BY repealing and reenacting, with amendments,
7 Article – Public Utility Companies
8 Section 7–305
9 Annotated Code of Maryland
10 (2008 Replacement Volume and 2009 Supplement)

11 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
12 MARYLAND, That the Laws of Maryland read as follows:

13 **Article – Public Utility Companies**

14 7–305.

15 (a) A gas company or electric company may bill its customers for gas,
16 electricity, or any other service it renders only on the basis of the net total cost of the
17 service under the applicable rate that is filed for that service.

18 (b) (1) The Commission may authorize a gas company or electric company
19 to apply an additional charge over the net total cost to any bill or part of a bill that is
20 not paid:

21 (i) within 20 days for a residential customer or residential
22 cooperative; or

23 (ii) within 15 days for any other customer.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (2) (i) The additional charge that is applied by a gas company or
2 electric company under this subsection may not exceed 5% of the net bill or part of the
3 bill.

4 (ii) Unless the Commission approves the imposition of different
5 charges on different classes of customers, any additional charges applied by a gas
6 company or electric company under this subsection shall be uniform for all customers.

7 **(C) (1) THIS SUBSECTION DOES NOT APPLY TO A BUILDING LOCATED**
8 **IN AN AREA ZONED FOR RESIDENTIAL USE THAT IS USED FOR:**

9 **(I) A HOME-BASED BUSINESS; OR**

10 **(II) ANY OTHER COMMERCIAL ENTERPRISE.**

11 **(2) EXCEPT AS PROVIDED IN PARAGRAPH (1) OF THIS**
12 **SUBSECTION, AN ELECTRIC COMPANY SHALL APPLY A RESIDENTIAL RATE**
13 **INCLUDED IN ITS FILED TARIFF TO ALL BUILDINGS LOCATED IN AN AREA ZONED**
14 **FOR RESIDENTIAL USE, INCLUDING GARAGES AND OTHER BUILDINGS**
15 **ANCILLARY TO A RESIDENCE.**

16 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
17 October 1, 2010.